



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

June 5, 2006

Ordinance

Proposed No. 2006-0182.1

Sponsors Constantine

1 AN ORDINANCE determining the monetary requirements
2 for the disposal of sewage for the fiscal year beginning
3 January 1, 2007, and ending December 31, 2007, setting
4 the sewer rate for the fiscal year beginning January 1, 2007,
5 and ending December 31, 2007, and approving the amount
6 of the sewage treatment capacity charge for 2007, in
7 accordance with RCW 35.58.570; and amending Ordinance
8 12353, Section 2, as amended, Ordinance 15194, Section 2,
9 and K.C.C. 4.90.010 and Ordinance 11398, Section 1, as
10 amended, and K.C.C. 28.84.055.

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13 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

14 SECTION 1. Ordinance 12353, Section 2, as amended, and K.C.C. 4.90.010 are
15 each hereby amended to read as follows:

16 A. Having determined the monetary requirements for the disposal of sewage, the
17 council hereby adopts a ((2006)) 2007 sewer rate of ((twenty-five dollars and sixty cents))

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18 twenty-eight dollars and fifty cents per residential customer equivalent per month. Once a
19 sewer rate ordinance becomes effective, the clerk of the council is directed to deliver a
20 copy of that ordinance to each agency having an agreement for sewage disposal with King
21 County.

22 B. The King County council approves the application of Statement of Financial
23 Accounting Standards No. 71 (FAS 71) to treat pollution remediation obligations as
24 regulatory assets and establish a rate stabilization reserve for the purpose of leveling rates
25 between years.

26 C. As required for FAS 71 application amounts are to be placed in the rate
27 stabilization reserve from ~~((2005))~~ operating revenues and removed from the calculation
28 of debt service coverage ~~((for 2005))~~. The reserve balance shall be an amount at least
29 sufficient to maintain a level sewer rate between ~~((2005))~~ 2007 and ~~((2006))~~ 2008, and
30 shall be used solely for the purposes of: maintaining the level sewer rate in ~~((2006))~~
31 2008; and if additional reserve balance is available, moderating future rate increases
32 beyond the ~~((2005-2006))~~ 2007-2008 period. If the estimated amount of the reserve, as
33 shown in the financial forecast, Attachment A to ~~((Ordinance 14942))~~ this ordinance,
34 needs to be adjusted to meet debt service coverage requirements for ~~((2005))~~ 2007, the
35 county executive shall notify the council of the change by providing an updated financial
36 forecast.

37 D. The executive shall provide monthly cost reports to the council on Brightwater
38 as outlined in K.C.C. 28.86.165.

39 SECTION 2. Ordinance 15194, Section 2, is hereby amended to read as follows:

40 Monetary requirements for the disposal of sewage for the fiscal year beginning
41 January 1, ((2006))2007, and ending December 31, ((2006))2007. The council hereby
42 determines the monetary requirements for the disposal of sewage as follows:

43 Administration, operating, maintenance repair and replace (net of other income):
44 ((~~\$62,681,812~~)) \$67,211,139.

45 Establishment and maintenance of necessary working capital reserves:
46 ((~~\$6,168,334~~)) \$5,247,115.

47 Requirements of revenue bond resolutions (not included in above items and net of
48 interest income): ((~~\$143,209,093~~)) \$163,457,768.

49 TOTAL: ((~~\$212,059,238~~)) \$235,916,022.

50 SECTION 3. Ordinance 11398, Section 1, as amended, and K.C.C. 28.84.055 are
51 each hereby amended as follows:

52 A. The amount of the 1994 metropolitan sewage facility capacity charge adopted
53 by K.C.C. 28.84.050.O. shall be seven dollars per month per residential customer or
54 residential customer equivalent for fifteen years.

55 B. The amount of the 1995 metropolitan sewage facility capacity charge adopted
56 by K.C.C. 28.84.050.O. shall be seven dollars per month per residential customer or
57 residential customer equivalent for fifteen years.

58 C. The sewage treatment capacity charge shall be seven dollars per month per
59 residential customer or equivalent for fifteen years for sewer connections occurring
60 between and including January 1, 1996, and December 31, 1996.

61 D. The amount of the sewage treatment capacity charge adopted by K.C.C.
62 28.84.050.O. shall be seven dollars per month per residential customer or equivalent for

63 fifteen years for sewer connections occurring between and including January 1, 1997, and
64 December 31, 1997.

65 E. The amount of the sewage treatment capacity charge adopted by K.C.C.
66 28.84.050.O. shall be ten dollars fifty cents per month per residential customer or
67 equivalent for fifteen years for sewer connections occurring between and including
68 January 1, 1998, and December 31, 1998.

69 F. The amount of the sewage treatment capacity charge adopted by K.C.C.
70 28.84.050.O. shall be ten dollars fifty cents per month per residential customer or
71 equivalent for fifteen years for sewer connections occurring between and including
72 January 1, 1999, and December 31, 1999.

73 G. The amount of the sewage treatment capacity charge adopted by K.C.C.
74 28.84.050.O. shall be ten dollars fifty cents per month per residential customer or
75 equivalent for fifteen years for sewer connections occurring between and including
76 January 1, 2000, and December 31, 2000.

77 H. The amount of the sewage treatment capacity charge adopted by K.C.C.
78 28.84.050.O. shall be ten dollars fifty cents per month per residential customer or
79 equivalent for fifteen years for sewer connections occurring between and including
80 January 1, 2001, and December 31, 2001.

81 I. The amount of the sewage treatment capacity charge adopted by K.C.C.
82 28.84.050.O. shall be seventeen dollars and twenty cents per month per residential
83 customer or equivalent for fifteen years for sewer connections occurring between and
84 including January 1, 2002, and December 31, 2002.

85 J. The amount of the sewage treatment capacity charge adopted by K.C.C.
86 28.84.050.O. shall be seventeen dollars and sixty cents per month per residential
87 customer or equivalent for fifteen years for sewer connections occurring between and
88 including January 1, 2003, and December 31, 2003.

89 K. The amount of the sewage treatment capacity charge adopted by K.C.C.
90 28.84.050.O. shall be eighteen dollars per month per residential customer or equivalent
91 for fifteen years for sewer connections occurring between and including January 1, 2004,
92 and December 31, 2004.

93 L. The amount of the sewage treatment capacity charge adopted by K.C.C.
94 28.84.050.O. shall be thirty-four dollars and five cents per month per residential customer
95 or equivalent for fifteen years for sewer connections occurring between and including
96 January 1, 2005, and December 31, 2005. ~~((For connections occurring between and
97 including January 1, 2006, and December 31, 2006, said amount shall be thirty four
98 dollars and five cents per month per residential customer or equivalent for fifteen years,
99 to be reviewed, approved or changed during 2005. For connections occurring between
100 January 1, 2007, and December 31, 2007, said amount shall be thirty four dollars and five
101 cents per month per residential customer or equivalent for fifteen years, to be reviewed,
102 approved or changed during 2006)).~~

103 M. The amount of the sewage treatment capacity charge adopted by K.C.C.
104 28.84.050.O. shall be thirty-four dollars and five cents per month per residential customer
105 or equivalent for fifteen years for sewer connections occurring between and including
106 January 1, 2006, and December 31, 2006.

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107 N. The amount of the sewage treatment capacity charge adopted by K.C.C.
108 28.84.050.O. shall be thirty-four dollars and five cents per month per residential customer
109 or equivalent for fifteen years for sewer connections occurring between and including
110 January 1, 2007, and December 31, 2007.

111 In accordance with adopted policy FP-12.3.d. in the Regional Wastewater
112 Services Plan, K.C.C. 28.86.160.C., it is the council's intent to base the capacity charge
113 upon the costs, customer growth and related financial assumptions used in the Regional
114 Wastewater Services Plan.

115 In accordance with adopted policy FP-12.3.c., King County shall pursue changes
116 in state legislation to enable the county to require payment of the capacity charge in a

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117 single payment, while preserving the option for new ratepayers to finance the capacity
118 charge.
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KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Larry Phillips, Chair

ATTEST:

Anne Noris, Clerk of the Council

APPROVED this ____ day of _____, ____.

Ron Sims, County Executive

Attachments A. Wastewater Treatment Enterprise 2007 Rate Financial Plan